GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:898
ANSWERED ON:19.07.2002
WORLD BANK LOAN
VILAS BABURAO MUTTEMWAR

Will the Minister of FINANCE be pleased to state:

(a) whether the Karnataka State has made out a case for downward of interestон loans advanced by the World Bank for roads improvement and other projects;

(b) if so, whether the eight per cent interest on loans being charged by the World Bank is high in the context of recent trend;

(c) whether the World Bank has agreed to the State Government`s request to reduce the interest rates; and

(d) if so, to what extent?

Answer

Minister of State in the Ministry of Finance and Company Affairs

(a) No sir. Government of Karnataka has not made any case for downward revision ofinterest rates charged by the World Bank on loans advanced for roads improvement and other projects.

(b), (c) & (d): Does not arise